GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2270
ANSWERED ON:10.03.2006
MERGER OF RRBS
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Will the Minister of FINANCE be pleased to state:

(a) whether the process of merger of Regional Rural Banks has been completed by the Union Government;

(b) if so, the number of banks that have been merged during the year 2005-06 so far alongwith the complete details thereof;

(c) whether Regional Rural Banks have speeded-up the process of clearing loans for rural people;

(d) whether the loan targets for the agriculture sector for the year 2005-06 have been achieved by RRBs;

(e) if so, the total amount ear-marked for the said purpose;

(f) whether there has been an increase in the amount of loan granted by RRBs during the current year as compared to the previous year; and

(g) if so, the details thereof ?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) & (b): - The process for structural consolidation of RRBs by way of amalgamation of RRBs sponsored by the same Bank within a State was initiated. The notifications for amalgamation of 78 RRBs to form 23 amalgamated entities have so far been issued and the process is still on. A detailed statement-is enclosed as Annex.

(c): - As a part of doubling of credit flow to agriculture in 3 years, the target for RRBs for the year 2004-05 was fixed at Rs.8,500 crore at a growth rate of 40%. As against this, RRBs disbursed Rs.12,404 crore in the year 2004-05.

(d) & (e): - A target of Rs.15,200 crore, has been fixed for RRBs for the year 2005-06. As against this, RRBs have disbursed Rs.12,471.07 crore as on 31st January 2006.

(f) & (g): - The loans disbursed upto 31st January 2006 and during the corresponding period of previous year i.e. 2004-05, in respect of RRBs is given below:

Rs. crore

2004-05 (April to Jan.)	10457.40
2005-06 (April to Jan.)	12471.07

Loan disbursement during 2005-06 against the corresponding period of 2004-05 has increased by Rs.2013.67 crore, registering a growth rate of 19.26%.